

# Sleepy Hollow Farm

Certified Organic Growers of Medicinal Plants

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James A. Riddle, Chairman  
National Organic Standards Board  
USDA-AMS-TMP  
Room 4008-South Building  
1400 Independence Avenue, SW  
Washington, DC 20250-0020

Dear Mr. Riddle,

The purpose of this letter is to provide input regarding the Guidance Statement issued by the USDA on April 13, 2004 to discuss and clarify the scope of the National Organic Program. We would like to specifically address the positions expressed in the Guidance Statement that producers of dietary supplements, over-the-counter (OTC) medicines or health aids, and other related products are not eligible to seek certification under the NOP and that these products may not display the USDA organic seal as defined in 7 CFR § 205.311 or imply that they are produced or handled to NOP standards. We believe these positions are the least thought out of all the proposed guides and will, if adopted as published, lead to stifled innovation, reduced farm profitability, lower quality consumer products, and produce a negative impact on the environment through a reduction in incentive to develop organic production systems for plants which have become endangered through overcollection from the wild. I would like to share with you who we are, what we do, and how the guidance positions, as proposed, will impact not only ourselves but also a growing number of agricultural entrepreneurs.

Sleepy Hollow Farm is a small, family operated enterprise that specializes in NOP certified cultivation and processing of native plants to produce dietary supplements. The focus of our efforts has been on endangered/threatened species of the southern Appalachians, primarily *Hydrastis canadensis* (goldenseal), a CITES Appendix II listed plant. Our leadership in this area has been recognized through four awards from the USDA's Small Business Innovation Research (SBIR) program totaling more than \$700,000 for our work with goldenseal.

In 1993, my wife and I realized that one day we would be faced with the choice of either selling her grandfather's farm or moving there and attempting to make a living. We spent three years researching various crop options available to small, limited resource family farms. We had an interest in native plants used for medicinal purposes for more than 15 years previous to this and began researching the prospects for turning our interest into a commercial endeavor. This research revealed an increasing awareness among consumers regarding the origin of the botanical based dietary supplements they purchased and a tendency toward tighter government regulation, both in the areas of dietary supplement quality and, since the majority of the raw material used to produce dietary supplements is

wild collected, environmental protection. Based on these observations we determined that the certified organic production of these plants could be a win-win-win situation by enhancing small farm efficiency through the utilization of idle forestland to produce a cash crop, increasing consumer satisfaction through more reliable products, and have a positive impact on the environment through a reduction in the need for wild collected raw material to meet market demand. Indeed, organic certification was the only scenario which made fiscal sense. Accordingly, in 1996, we began implementation of a five year plan to convert our farm to the certified organic production of native plants and make a career transition to full time agriculture.

Lack of reliable cultivation information prompted the submission and subsequent Phase I and II funding of our first SBIR project entitled *Establishing a Viable Organic Goldenseal Production System for Small Family Farms*. Peer review panel comments concerning the concept of organic goldenseal production are presented below:

*“This well-written proposal lays out an applied research project to assess an organic Production system for Goldenseal. The scientific and technical feasibility of the project was clearly articulated. The research design appears sound and should develop useful results directly applicable to small-scale organic Goldenseal producers. The specific niche to be filled by this work is the adaptation of recent agronomic practices for the small-scale organic producer. The author documented the current market shortcomings and economic potential of the project. Furthermore, environmental benefits of shifting away from gathering wild growing Goldenseal through agronomic culture were well justified” and “Lack of ability to grow Hydrastis canadensis (goldenseal) under cultivation is a major issue in the conservation of this important medicinal herb, a federally and CITES listed species. If successful, this project will provide not only greater opportunities for small family farms, but provides a model for how to approach and overcome information gaps that impede converting wild-crafted species, difficult to cultivate, into viably cultivated species.”*

This project was successful and has provided a model for 20 other small family farmers to begin NOP certified cultivation of goldenseal and other medicinal plants. We, along with these other growers, have bound ourselves together as a cooperative to not only market our production as NOP certified but also to produce NOP certified value-added products from our raw material.

In order to facilitate the development of those products, a second Phase I and II SBIR award was granted by the USDA for our project entitled, *Goldenseal, Processing and Value-Added Product Development*. USDA peer review panel comments regarding this project include:

*“The production of certified herbal plant material that has a standard level of a reference marker compound is very desirable and needed if the herbal industry is to grow and these products be accepted by the medical profession. This project will contribute much needed information that will aid small farmers to grow important herbal/medicinal plants” and “Completion of this proposal will produce a value-added farm product”.*

Through these projects we have developed a vertically integrated dietary supplement production system which fully complies with the NOP. In fact, we have developed a patent-pending process for producing a very well characterized liquid goldenseal dietary supplement which relies on organic certification for documentation regarding raw material quality and process integrity.

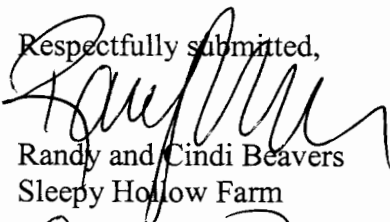
We submit, based on the comments of experts chosen by the USDA to evaluate the merit of projects it supports, that the products produced by Sleepy Hollow Farm and our cooperative of growers are indeed "*agricultural products*" and therefore eligible for NOP certification. While we do not believe it is the intention of the guidance to exclude legitimate "*agricultural products*", the language "*dietary supplements, over-the-counter (OTC) medicines or health aids, and other related products*" is much too general and unfairly excludes a growing number of producers who have invested considerable time and effort to demonstrate to consumers that their "*agricultural products*" are of the highest possible quality and have been produced in an environmentally sustainable manner without undesirable contaminants.

The USDA peer review panel has stated concerning our concept of producing NOP certified medicinal plants and value-added products that, "*There will be direct benefit to rural and community development if this project is successful*". Denial of our right to market our products as produced in accordance with the standards of the NOP will negate a significant portion of those benefits and reduce the financial feasibility of the project to an uncomfortably low level. The NOP will be in direct conflict with the opinion of more than 20 highly qualified USDA reviewers that NOP certified organic medicinal plants are a good idea for growers, manufacturers, consumers, and the environment if it fails to correct the ambiguity presented by the proposed guidance language.

This issue could be easily clarified by revising the proposed language to specify "*nonagricultural dietary supplements, over-the-counter (OTC) medicines or health aids, and other related products*".

We pray that the NOSB will give consideration to the information presented in this letter and recommend to remedy what could very well be a fatal blow to those who are struggling to avert an environmental catastrophe by developing sustainable production methods for currently wild collected plants. The financial rewards of NOP certification are the key to the feasibility of our efforts.

Respectfully submitted,

  
Randy and Cindi Beavers  
Sleepy Hollow Farm

